

## UNITED STATES BANKRUPTCY COURT

Eastern District of Virginia

In re Carter's Grove, LLC,  
DebtorCase No. 11-51330 SJS

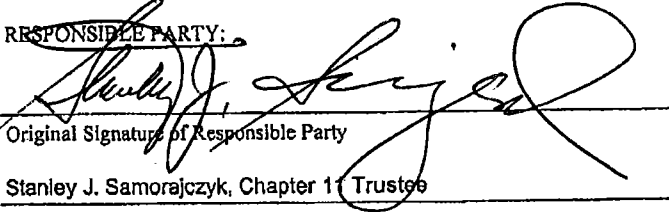
Small Business Case under Chapter 11

## SMALL BUSINESS MONTHLY OPERATING REPORT

Month: 1/1/13 - 1/31/13Date filed: 08/26/2013Line of Business: N/ANAISC Code: N/A

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING SMALL BUSINESS MONTHLY OPERATING REPORT AND THE ACCOMPANYing ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT AND COMPLETE.

RESPONSIBLE PARTY:

  
Original Signature of Responsible Party

Stanley J. Samorajczyk, Chapter 11 Trustee

Printed Name of Responsible Party

Questionnaire: (All questions to be answered on behalf of the debtor.)

	Yes	No
1. IS THE BUSINESS STILL OPERATING?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. HAVE YOU PAID ALL YOUR BILLS ON TIME THIS MONTH?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. DID YOU PAY YOUR EMPLOYEES ON TIME?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. HAVE YOU DEPOSITED ALL THE RECEIPTS FOR YOUR BUSINESS INTO THE DIP ACCOUNT THIS MONTH?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. HAVE YOU FILED ALL OF YOUR TAX RETURNS AND PAID ALL OF YOUR TAXES THIS MONTH?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. HAVE YOU TIMELY FILED ALL OTHER REQUIRED GOVERNMENT FILINGS?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. HAVE YOU PAID ALL OF YOUR INSURANCE PREMIUMS THIS MONTH?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. DO YOU PLAN TO CONTINUE TO OPERATE THE BUSINESS NEXT MONTH?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. ARE YOU CURRENT ON YOUR QUARTERLY FEE PAYMENT TO THE U.S. TRUSTEE?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. HAVE YOU PAID ANYTHING TO YOUR ATTORNEY OR OTHER PROFESSIONALS THIS MONTH?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. DID YOU HAVE ANY UNUSUAL OR SIGNIFICANT UNANTICIPATED EXPENSES THIS MONTH?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12. HAS THE BUSINESS SOLD ANY GOODS OR PROVIDED SERVICES OR TRANSFERRED ANY ASSETS TO ANY BUSINESS RELATED TO THE DIP IN ANY WAY?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
13. DO YOU HAVE ANY BANK ACCOUNTS OPEN OTHER THAN THE DIP ACCOUNT?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

B 25C (Official Form 25C) (12/08)

14. HAVE YOU SOLD ANY ASSETS OTHER THAN INVENTORY THIS MONTH? ☐ ☒
15. DID ANY INSURANCE COMPANY CANCEL YOUR POLICY THIS MONTH? ☐ ☒
16. HAVE YOU BORROWED MONEY FROM ANYONE THIS MONTH? ☒ ☐
17. HAS ANYONE MADE AN INVESTMENT IN YOUR BUSINESS THIS MONTH? ☐ ☒
18. HAVE YOU PAID ANY BILLS YOU OWED BEFORE YOU FILED BANKRUPTCY? ☐ ☒

**TAXES**

DO YOU HAVE ANY PAST DUE TAX RETURNS OR PAST DUE POST-PETITION TAX OBLIGATIONS? ☒ ☐

IF YES, PLEASE PROVIDE A WRITTEN EXPLANATION INCLUDING WHEN SUCH RETURNS WILL BE FILED, OR WHEN SUCH PAYMENTS WILL BE MADE AND THE SOURCE OF THE FUNDS FOR THE PAYMENT.

Post-petition taxes will be paid as revenues become available.  
(Exhibit A)

**INCOME**

PLEASE SEPARATELY LIST ALL OF THE INCOME YOU RECEIVED FOR THE MONTH. THE LIST SHOULD INCLUDE ALL INCOME FROM CASH AND CREDIT TRANSACTIONS. (THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)

TOTAL INCOME \$ 66,035.88 1

**SUMMARY OF CASH ON HAND**

Cash on Hand at Start of Month \$ 8,452.12 2

Cash on Hand at End of Month \$ 28,495.62

PLEASE PROVIDE THE TOTAL AMOUNT OF CASH CURRENTLY AVAILABLE TO YOU. TOTAL \$ 28,495.62

(Exhibit B)

**EXPENSES**

PLEASE SEPARATELY LIST ALL EXPENSES PAID BY CASH OR BY CHECK FROM YOUR BANK ACCOUNTS THIS MONTH. INCLUDE THE DATE PAID, WHO WAS PAID THE MONEY, THE PURPOSE AND THE AMOUNT. (THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)

TOTAL EXPENSES \$ 45,992.38

(Exhibit C)

See Bank Statements, attached as Exhibit C, and Summary memorandum included therein.

**CASH PROFIT**

INCOME FOR THE MONTH (TOTAL FROM EXHIBIT B) \$ 66,035.88

EXPENSES FOR THE MONTH (TOTAL FROM EXHIBIT C) \$ 45,992.38

(Subtract Line C from Line B) CASH PROFIT FOR THE MONTH \$ 20,043.50 3

~~1\ Funds borrowed from Colonial Williamsburg Foundation.~~

2\ Debtor's December 2012 Monthly Operating Report reported \$8,352.12 in "Cash on Hand at End of Month." The \$8,352.12 was due to a clerical error; the correct amount was \$8,452.12.

3\ Balance of loan proceeds after payment of expenses.

B 25C (Official Form 25C) (12/08)

**UNPAID BILLS**

PLEASE ATTACH A LIST OF ALL DEBTS (INCLUDING TAXES) WHICH YOU HAVE INCURRED SINCE THE DATE YOU FILED BANKRUPTCY BUT HAVE NOT PAID. THE LIST MUST INCLUDE THE DATE THE DEBT WAS INCURRED, WHO IS OWED THE MONEY, THE PURPOSE OF THE DEBT AND WHEN THE DEBT IS DUE. *(THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)*

**TOTAL PAYABLES** \$ 260,421.16

See Exhibit D: Listing of Unpaid Bills as of January 31, 2013. <sup>(Exhibit D)</sup> The Trustee reserves the right to object to fees claimed by any of Debtor's professionals.

**MONEY OWED TO YOU**

PLEASE ATTACH A LIST OF ALL AMOUNTS OWED TO YOU BY YOUR CUSTOMERS FOR WORK YOU HAVE DONE OR THE MERCHANDISE YOU HAVE SOLD. YOU SHOULD INCLUDE WHO OWES YOU MONEY, HOW MUCH IS OWED AND WHEN IS PAYMENT DUE. *(THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)*

**TOTAL RECEIVABLES** \$ 0.00

*(Exhibit E)*

**BANKING INFORMATION**

PLEASE ATTACH A COPY OF YOUR LATEST BANK STATEMENT FOR EVERY ACCOUNT YOU HAVE AS OF THE DATE OF THIS FINANCIAL REPORT OR HAD DURING THE PERIOD COVERED BY THIS REPORT.

See Bank Statements, attached, as Exhibit C.

*(Exhibit F)*

**EMPLOYEES**

NUMBER OF EMPLOYEES WHEN THE CASE WAS FILED?	<u>2</u>
NUMBER OF EMPLOYEES AS OF THE DATE OF THIS MONTHLY REPORT?	<u>2</u>

**PROFESSIONAL FEES*****BANKRUPTCY RELATED:***

PROFESSIONAL FEES RELATING TO THE BANKRUPTCY CASE PAID DURING THIS REPORTING PERIOD? \$ 0.00

TOTAL PROFESSIONAL FEES RELATING TO THE BANKRUPTCY CASE PAID SINCE THE FILING OF THE CASE? \$ 405,058.20

***NON-BANKRUPTCY RELATED:***

PROFESSIONAL FEES NOT RELATING TO THE BANKRUPTCY CASE PAID DURING THIS REPORTING PERIOD? \$ 0.00

TOTAL PROFESSIONAL FEES NOT RELATING TO THE BANKRUPTCY CASE PAID SINCE THE FILING OF THE CASE? \$ 0.00

B 25C (Official Form 25C) (12/08)

**PROJECTIONS**

COMPARE YOUR ACTUAL INCOME AND EXPENSES TO THE PROJECTIONS FOR THE FIRST 180 DAYS OF YOUR CASE PROVIDED AT THE INITIAL DEBTOR INTERVIEW.

	Projected	Actual	Difference
INCOME	\$ _____	\$ _____	\$ _____
EXPENSES	\$ _____	\$ _____	\$ _____
CASH PROFIT	\$ _____	\$ _____	\$ _____

TOTAL PROJECTED INCOME FOR THE NEXT MONTH:	\$ 0.00
TOTAL PROJECTED EXPENSES FOR THE NEXT MONTH:	\$ 95,000.00
TOTAL PROJECTED CASH PROFIT FOR THE NEXT MONTH:	\$ 0.00

**ADDITIONAL INFORMATION**

PLEASE ATTACH ALL FINANCIAL REPORTS INCLUDING AN INCOME STATEMENT AND BALANCE SHEET WHICH YOU PREPARE INTERNALLY.

Debtor has no additional financial reports.

The Trustee has filed this Monthly Operating Report based upon the records in his possession, as obtained pursuant to his appointment on April 6, 2012. The Trustee submits that the records may be incomplete. The Trustee is seeking additional records. The Trustee reserves the right to supplement or amend this MOR accordingly.

The Trustee may have additional attorneys fees to be included as part of the professional fees incurred by the Debtor.

The Trustee will update this MOR accordingly.

Debtor has three bank accounts, labeled as follows: "Debtor in Possession" ["DIP"], "Payroll" and "Debit Card Expense Account" ["Expense Account"]. All funds received are deposited into the DIP account. Funds are then transferred to the Payroll account and Expense Account and paid from the respective accounts, as necessary.

**EXHIBIT C**  
**MONTHLY OPERATING REPORT**  
**(JANUARY 2013)**



Last statement: December 31, 2012  
 This statement: January 31, 2013  
 Total days in statement period: 31

Page 1 of 2  
 15-572677-01  
 (0)

Direct Inquiries to:  
 800-399-5919

CARTER'S GROVE LLC  
 DEBTOR IN POSSESSION CASE # 11-51330-SCS  
 888 BESTGATE RD SUITE 304  
 ANNAPOLIS MD 21401-2957

Sandy Spring Bank  
 17801 Georgia Ave  
 Olney MD 20832

### Free Business Checking

Account number	15-572677-01	Beginning balance	\$8,084.01
Low balance	\$794.79	Total additions	66,035.88
Average balance	\$14,512.23	Total subtractions	46,133.66
		Ending balance	\$27,986.23

### CHECKS

Number	Date	Amount	Number	Date	Amount
249	01-08	91.40	265	01-03	197.00
262 *	01-22	690.00	266	01-18	32,676.00
263	01-08	768.40			
264	01-07	169.52			

\* Skip in check sequence

### DEBITS

Date	Description	Subtractions
01-09	Cash Mgmt Trsfr Dr REF 0090735L FUNDS TRANSFER TO DEP 1557267702 FROM PAYROLL	2,500.00
01-11	Service Charge WIRE TRANSFER-IN	15.00
01-18	Cash Mgmt Trsfr Dr REF 0181444L FUNDS TRANSFER TO DEP 1557267702 FROM	1,000.00
01-22	ACH Withdrawal Virginia Nat Gas VNGPayment 130122	291.98
01-23	ACH Withdrawal DOMINION VA POWE ONLINE PMT 130123	2,161.70
01-23	ACH Withdrawal DOMINION VA POWE ONLINE PMT 130123	194.33
01-23	ACH Withdrawal DOMINION VA POWE ONLINE PMT 130123	142.43
01-23	ACH Withdrawal DOMINION VA POWE ONLINE PMT 130123	54.87

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CARTER'S GROVE LLC  
January 31, 2013

Page 2 of 2  
15-572677-01

Date	Description	Subtractions
01-23	ACH Withdrawal DOMINION VA POWE ONLINE PMT 130123	12.39
01-23	ACH Withdrawal DOMINION VA POWE ONLINE PMT 130123	11.95
01-29	Service Charge WIRE TRANSFER-IN	15.00
01-29	Cash Mgmt Trsfr Dr REF 0291325L FUNDS TRANSFER TO DEP 1557267702 FROM PAYROLL	2,500.00
01-30	ACH Withdrawal Virginia Nat Gas VNGPayment 130130	2,641.69

**CREDITS**

Date	Description	Additions
01-11	Wire Transfer-IN INCOMING WIRE ORG COLONIAL WILLIAMSBURG FOUNDATION ;REF :WIRE/IN - 20130110015800	33,687.75
01-28	Cash Mgmt Trsfr Cr REF 0281359L FUNDS TRANSFER FRMDEP 1557267702 FROM	500.00
01-29	Wire Transfer-IN INCOMING WIRE ORG COLONIAL WILLIAMSBURG FOUNDATION ;REF :WIRE/IN - 20130290044900	31,848.13

**DAILY BALANCES**

Date	Amount	Date	Amount	Date	Amount
12-31	8,084.01	01-09	4,357.69	01-23	794.79
01-03	7,887.01	01-11	38,030.44	01-28	1,294.79
01-07	7,717.49	01-18	4,354.44	01-29	30,627.92
01-08	6,857.69	01-22	3,372.46	01-30	27,986.23

*Thank you for banking with Sandy Spring Bank*

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Last statement: December 31, 2012  
This statement: January 31, 2013  
Total days in statement period: 31

Page 1 of 2  
15-572677-02  
(0)

Direct Inquiries to:  
800-399-5919

CARTER'S GROVE LLC  
DEBTOR IN POSSESSION CASE # 11-51330-SCS  
PAYROLL  
888 BESTGATE RD SUITE 304  
ANNAPOLIS MD 21401-2957

Sandy Spring Bank  
17801 Georgia Ave  
Olney MD 20832

### Free Business Checking

Account number	15-572677-02	Beginning balance	\$268.11
Low balance	\$0.05	Total additions	6,000.00
Average balance	\$986.96	Total subtractions	5,858.72
		Ending balance	\$409.39

### DEBITS

Date	Description	Subtractions
01-10	ACH Withdrawal PAYCHEX EIB INVOICE 130110 X48147900003100	177.40
01-14	ACH Withdrawal PAYCHEX INC. PAYROLL 130114 48306600002071X	2,090.57
01-15	ACH Withdrawal PAYCHEX TPS TAXES 130115 48309400011803X	500.09
01-28	Cash Mgmt Trsfr Dr REF 0281359L FUNDS TRANSFER TO DEP 1557267701 FROM	500.00
01-30	ACH Withdrawal PAYCHEX INC. PAYROLL 130130 48554400000577X	2,090.55
01-31	ACH Withdrawal PAYCHEX TPS TAXES 130131 48561800007277X	500.11

### CREDITS

Date	Description	Additions
01-09	Cash Mgmt Trsfr Cr REF 0090735L FUNDS TRANSFER FRMDEP 1557267701 FROM PAYROLL	2,500.00

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CARTER'S GROVE LLC  
January 31, 2013

Page 2 of 2  
15-572677-02

Date	Description	Additions
01-18	Cash Mgmt Trsfr Cr REF 0161444L FUNDS TRANSFER FRMDEP 1557267701 FROM	1,000.00
01-29	Cash Mgmt Trsfr Cr REF 0291325L FUNDS TRANSFER FRMDEP 1557267701 FROM PAYROLL	2,500.00

**DAILY BALANCES**

Date	Amount
12-31	268.11
01-09	2,768.11
01-10	2,590.71
01-14	500.14

Date	Amount
01-15	0.05
01-18	1,000.05
01-28	500.05
01-29	3,000.05

Date	Amount
01-30	909.50
01-31	409.39

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Last statement: December 31, 2012  
This statement: January 31, 2013  
Total days in statement period: 31

Page 1 of 1  
15-572677-03  
(0)

\*\*\*\*\*AUTO\*\*SCH 5-DIGIT 21401  
5470 0.4000 AV 0.35021 6758

Direct inquiries to:  
800-399-5919

CARTER'S GROVE LLC  
DEBTOR IN POSSESSION CASE # 11-51330-SCS  
DEBIT CARD EXPENSE ACCT  
888 BESTGATE RD SUITE 304  
ANNAPOLIS MD 21401-2957

Sandy Spring Bank  
17801 Georgia Ave  
Olney MD 20832

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### Free Business Checking

Account number	15-572677-03	Beginning balance	\$100.00
Low balance	\$100.00	Total additions	.00
Average balance	\$100.00	Total subtractions	.00
		Ending balance	\$100.00

**\*\* No activity this statement period \*\***

***Thank you for banking with Sandy Spring Bank***

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**SUMMARY OF EXPENDITURES AND  
CASH ON HAND: JANUARY 2013**

**I. SUMMARY OF EXPENDITURES (BY ACCOUNT)**

A.	Expenditures from Operating Account	\$40,133.66
	(NOTE: Excludes transfers from Operating Account of \$6,000.00 to Payroll Account)	
B.	Expenditures from Payroll Account:	\$5,858.72
C.	Expenditures from Debit Card Expense Account:	\$ <u>0</u>
	<b>Total:</b>	<b><u>\$45,992.38</u></b>

**II. CASH ON HAND 1/01/2013 (BY ACCOUNT)**

A.	Operating Account:	\$8,084.01
B.	Payroll Account:	\$268.11
C.	Debit Card Expense Account:	<u>\$100.00</u>
	<b>Total:</b>	<b><u>\$8,452.12</u></b>

**III. CASH ON HAND 1/31/2013 (BY ACCOUNT)**

A.	Operating Account:	\$27,986.23
B.	Payroll Account:	\$409.39
C.	Debit Card Expense Account:	<u>\$100.00</u>
	<b>Total:</b>	<b><u>\$28,495.62</u></b>

**EXHIBIT D**  
**MONTHLY OPERATING REPORT**  
**(JANUARY 2013)**

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